

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): February 22, 2006**

**Crown Castle International Corp.**

**(Exact Name of Registrant as Specified in its Charter)**

**Delaware  
(State or Other  
Jurisdiction of  
Incorporation)**

**001-16441  
(Commission File  
Number)**

**76-0470458  
(IRS Employer  
Identification  
Number)**

**510 Bering Drive  
Suite 600  
Houston, TX 77057  
(Address of Principal Executive Office)**

**Registrant's telephone number, including area code: (713) 570-3000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT**

On February 23, 2006, the Board of Directors of the Company (“Board”) took several actions with respect to the compensation of the Company’s executive officers and non-employee directors.

2006 EMT Annual Incentive Plan. The Board, upon recommendation from the Compensation Committee, approved the Crown Castle 2006 EMT Annual Incentive Plan (“2006 Incentive Plan”) for the Company’s executive management team (“EMT”), including the Company’s executive officers, other than Mr. Schueppert. The 2006 Incentive Plan is intended to provide incentives to members of the Company’s EMT in the form of cash bonus payments for achieving certain performance goals established under the 2006 Incentive Plan. Under the 2006 Incentive Plan, each eligible participant has an assigned target bonus level, expressed as a percent of base salary. Depending on the achievement of specified levels of corporate and business unit financial performance goals and individual performance goals, each eligible participant may earn a multiple of the target bonus. The Board’s approval of the 2006 Incentive Plan does not create a guarantee of an incentive award to any eligible participant, and the Compensation Committee retains discretion to discontinue or amend the 2006 Incentive Plan at any time. A copy of the Plan is filed herewith as Exhibit 10.1.

Executive Officer Compensation. The Board, upon recommendation from the Compensation Committee, approved the following base salaries and restricted stock awards (“RSAs”) with respect to the following executive officers of the Company:

Name and Principal Position	2006 Base Salary(\$)	2006 Performance RSAs (Shares)	2006 Retention RSAs (Shares)
John P. Kelly Chief Executive Officer, President and Director	\$ 479,521	108,664	145,533
W. Benjamin Moreland Executive Vice President, Chief Financial Officer and Treasurer	\$ 350,947	62,486	78,108
E. Blake Hawk Executive Vice President and General Counsel	\$ 343,849	40,073	55,657
James D. Cordes Senior Vice President – Corporate Development & Strategy	\$ 279,040	27,100	16,938
James D. Young President – Tower Operations	\$ 298,966	43,553	36,294
Michael P. Schueppert President – Modeo LLC	\$ 236,942	—	—

The terms of the Restricted Stock Agreements relating to the Performance RSAs shown in the table above provide that if the Company’s common stock (“Common Stock”) closes at or above per share prices equal to \$35.52, \$40.85 or \$46.98 for any 20 consecutive trading days which include dates on or before February 23, 2010 (the fourth anniversary of the date of grant), 33% of the Performance RSAs performance vests (i.e., the transfer and forfeiture restrictions terminate) upon reaching each such price target. In addition, any remaining unvested Performance RSAs vest on February 23, 2010 if the Common Stock closes at or above \$37.07 per share for any 20 consecutive trading days which include dates on or before February 23, 2010. Any Performance RSAs that have not otherwise vested pursuant to the preceding two sentences will be forfeited as of February 23, 2010.

The terms of the Restricted Stock Agreements relating to the Retention RSAs shown in the table above provide that such RSAs will vest on February 23, 2009 (the third anniversary of the date of grant) if the Common Stock closes at or above per share prices equal to \$42.50 for 20 consecutive trading days which include the dates on or between September 22, 2008 and February 23, 2009. Any shares of Retention RSAs that have not otherwise vested pursuant to the preceding sentence will be forfeited as of February 23, 2009. The Restricted Stock Agreements also provide that the vesting of the Retention RSAs will not be accelerated pursuant to severance agreements entered into with the executive officers upon a qualifying termination of employment that does not occur during a change in control period, but instead will be forfeited in the event of such a termination.

The RSAs shown in the table above were granted pursuant to the Company's 2004 Stock Incentive Plan. A form of the standard Restricted Stock Agreement generally used for the Company's 2004 Stock Incentive Plan is filed as Exhibit 10.3 to the Company's Form 8-K filed with the Securities and Exchange Commission on March 2, 2005.

In addition, the Board, upon recommendation from the Compensation Committee, also authorized the Company to develop a phantom common equity interest plan ("Modeo Plan"), pursuant to which an amount equal to 5% of the outstanding common equity interests (on a fully diluted basis) of Modeo LLC, a subsidiary of the Company, may be reserved and available for grant as phantom common equity interest options ("Modeo Options") to employees of Modeo LLC. In lieu of Performance RSAs and Retention RSAs, the Board has authorized the grant of Modeo Options to Mr. Schueppert pursuant to the proposed Modeo Plan representing a 1.245% equity interest in Modeo LLC.

Non-employee Director Equity Compensation. Pursuant to the Board's policy of granting shares of Common Stock having a purchase price of approximately \$85,000 to each non-employee director at the Board's first regularly scheduled meeting of each year, the Board, upon recommendation from the Nominating & Corporate Governance Committee ("NCG Committee"), granted 2,752 shares of Common Stock (priced at \$30.89, the closing price of the Common Stock on February 23, 2006) to each non-employee director of the Board other than J. Landis Martin, Chairman of the Board. The Board, upon recommendation of the NCG Committee granted 4,856 shares of Common Stock to J. Landis Martin as annual equity compensation for service as non-employee Chairman of the Board. Carl Ferenbach waived receipt of any non-employee director equity grant as a result of his decision not to stand for re-election to the Board in 2006 (see Item 5.02 below). All such shares of Common Stock were granted pursuant to the Company's 2004 Stock Incentive Plan.

#### **Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers**

(b) On February 22, 2006, Carl Ferenbach, a non-employee director of the Company, notified the Company of his decision not to stand for re-election as a director of the Company at its 2006 annual meeting of stockholders in order to focus on his commitments with Berkshire Partners LLC, where he serves as Managing Director. Mr. Ferenbach has explicitly noted his strong support for management and the policies being pursued by the Company. Mr. Ferenbach is expected to continue to serve as a director of the Company until the Company's 2006 annual meeting of directors, currently scheduled for May 25, 2006.

**ITEM 9.01 — FINANCIAL STATEMENTS AND EXHIBITS**

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	2006 EMT Annual Incentive Plan

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**CROWN CASTLE INTERNATIONAL CORP.**

By: /s/ E. Blake Hawk

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Name: E. Blake Hawk

Title: Executive Vice President  
and General Counsel

Date: February 28, 2006

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
10.1	2006EMT Annual Incentive Plan



**2006 EMT Annual Incentive Plan**

**Plan Document**

**(Effective January 1, 2006)**

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## OVERVIEW

This Plan Document is designed to outline the provisions of the Crown Castle International Corp. (“CCIC” or “Company”) 2006 Executive Annual Incentive Plan (the “Plan”) effective as of the 1<sup>st</sup> day of January 2006, in accordance with the terms provided herein.

The Company hereby adopts the terms of the Plan as follows:

### SECTION 1. OBJECTIVES

The Company’s main objectives for the Plan are:

- To provide a compensation package that is competitive with the market.
- To motivate executives by providing the appropriate reward for individual and corporate performance based on Company goals and objectives.
- To focus business unit executives on maximizing results of their business units, while also reinforcing the importance of teamwork at the corporate level.
- To link the Plan’s financial measures with investor expectations.
- To link the Plan’s financial and nonfinancial measures with the individual performance of the executives.

### SECTION 2. PLAN YEAR

The effective date of this Plan is January 1, 2006. The Plan will remain in effect from January 1, 2006, to December 31, 2006 (the “Plan Year”).

### SECTION 3. ADMINISTRATION

The Plan shall be administered by the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) with oversight by the Board. The Committee shall have the authority to review and approve: (a) the Participants as defined in Section 4, (b) the incentive opportunities for each Participant as defined in Section 6, (c) the methodology for determining the Performance Goals as defined in Section 7, (d) the minimum performance requirements as described in Section 8, and (e) the final Incentive Awards for the Participants as described in Section 9. The Committee shall also have the authority to review and approve any proposed amendments to the Plan throughout the Plan Year. The Committee retains the right to discontinue or amend this Plan at any time. The Committee may use discretion to adjust the Incentive Award levels to account for events that impact the ability to meet the Performance Goals described in Section 7.

The Chief Executive Officer of the Company (the “CEO”) will be responsible for the interpretation and the day-to-day management of the Plan. The CEO shall also make recommendations to the Committee for review and approval.

Nothing in this Plan is to be considered a guarantee of an Incentive Award.



#### SECTION 4. ELIGIBILITY

Executive employees who are selected by the CEO, and are approved by the Committee, will be eligible to participate in the Plan (the "Participants").

#### SECTION 5. CHANGE IN ELIGIBILITY STATUS

In making decisions regarding employees' participation in the Plan, the CEO may consider any factors that he or she may consider relevant. The following guidelines are provided as general information regarding employee status changes upon the occurrence of the events described below, provided that recommendation to include an employee in the Plan originates from the CEO:

- (a) New Hire, Transfer, Promotion. A newly hired, transferred or promoted employee selected and approved as a Participant in the Plan after March 1 of the Plan Year may participate in the Plan on a pro rata basis as of the date the Participant was approved into the Plan. A newly hired, transferred or promoted employee selected and approved as a Participant in the Plan prior to March 1 of the Plan Year may participate based on a full Plan Year.
- (b) Demotion. An Incentive Award will generally not be made to an employee who has been demoted during the Plan Year because of performance.
- (c) Termination. An Incentive Award will generally not be made to any Participant whose services are terminated prior to the payment of the Incentive Award for reasons of misconduct, failure to perform or other cause.
- (d) Resignation. An Incentive Award will generally not be made to any Participant who resigns for any reason, including retirement, before the Incentive Award is made. However, if the Participant has voluntarily terminated his or her employment with the Company's consent, the Participant may be considered for a pro rata Incentive Award, provided the Participant otherwise qualifies for the Incentive Award.
- (e) Death and Disability. A Participant whose status as an active employee is changed prior to the payment of the Incentive Award for any reason other than the reasons cited above may be considered for a pro rata Incentive Award, provided the Participant otherwise qualifies for the Incentive Award. In the event that an Incentive Award is made on behalf of an employee who has terminated employment by reason of death, any such payments or other amounts due will generally be paid to the Participant's estate.

The above guidelines are subject to the terms of any applicable severance or similar agreements. Nothing in the Plan shall confer any right to any employee to continue in the employ of the Company.

#### SECTION 6. INCENTIVE OPPORTUNITY

The CEO will determine, and recommend for approval by the Committee, incentive opportunities for each Participant. The incentive opportunities will be defined as Incentive Opportunity Zones that represent a range of threshold, target and maximum performance outcomes for which incremental increases in performance will result in incremental increases in the Incentive Award.

Each Incentive Opportunity Zone will include threshold, target and maximum incentive opportunities. The Participant's target incentive opportunity will be based on the Participant's role and responsibilities, and will be expressed as a percentage of the Participant's base salary. The Participant's threshold and maximum incentive opportunities will be expressed as a Payout Multiple of the target incentive opportunity and will also be based on the Participant's role and responsibilities. The tables set forth on Exhibit A outline the target Payout Multiples for certain Participant categories.

The target incentive opportunity as a multiple of base salary, and the resulting threshold and maximum opportunities will be determined and approved in writing and kept on file for each Participant in the appropriate Human Resources department.

#### SECTION 7. PERFORMANCE GOALS

Each Participant shall have specific performance goals (the "Performance Goals") determined for his or her position for the Plan Year. These Performance Goals will be based on certain financial and nonfinancial performance measures that support the approved business plan of the Company and/or business unit, and should identify how the Participant will support the achievement of such goals.

Two performance categories will generally be used for each Participant:

1. **Corporate/Business Unit Performance** — There will be one or more performance measures with equal or different weights that may be used within this category, including without limitation any one or more of the performance criteria described below:
  - Corporate Adjusted EBITDA – calculated as EBITDA adjusted for non-cash compensation.
  - Corporate Recurring Free Cash Flow per Share – calculated as Recurring Free Cash Flow divided by calendar year-end total CCIC common shares outstanding.
  - Business Unit Adjusted EBITDA – calculated as Business Unit EBITDA adjusted for Business Unit non-cash compensation.
  - Business Unit Recurring Free Cash Flow per Share – calculated as Business Unit Recurring Free Cash Flow divided by calendar year-end total common shares outstanding.
  - Business Unit Net New Sales – calculated as New Tenant Revenue adjusted for Churn.

The Performance Goals for these financial measures will generally be based on the Company's 2006 financial budget/forecasts as approved by the Board.

2. **Individual Performance** — The Individual Performance Goals will generally be based on those established using the Company's annual performance management system.

The target mix and weighting of the Performance Goals for each Participant will vary depending on the Participant's role and responsibilities, as set forth on Exhibit B.

For the financial performance measures, threshold, target, and maximum Performance Goals will be established and aligned within the Participant's applicable Incentive Opportunity Zone as defined above in Section 6. The threshold, target, and maximum Performance Goals for these financial measures, based on the Company's budget/forecast for 2006 are set forth on Exhibit C.

The threshold, target and maximum individual Performance Goals will be based on how well the Participant met the goals established using the Company's annual performance management system. The Individual Performance Goals will be aligned within the Participant's applicable Incentive Opportunity Zone. While the interpretation of how well the Individual Performance Goals are met will be more subjective than for financial measures, the following descriptions will be used to interpret individual performance:

1. **Exceeds Expectations** – Defined as performance that consistently exceeds established expectations regarding the Participant's key individual goals. Performance at this level creates new standards of performance. Individual performance near or at the maximum will be achieved if the participant has exhibited "Exceeds Expectations" performance.
2. **Meets Expectations** - Defined as performance that consistently meets and often exceeds established expectations regarding the Participant's key individual goals. Individual performance at target will be achieved if the Participant has exhibited "Meets Expectations" performance.
3. **Meets Most Expectations** - Defined as performance that often meets established expectations regarding the Participant's key individual goals, but also requires some development. Individual performance near or at the minimum will be achieved if the Participant has exhibited "Meets Most Expectations" performance.
4. **Does Not Meet Expectations** - Defined as performance that does not consistently meet established expectations regarding the Participant's key individual goals and requires significant development. Individual performance at this level will result in no individual annual incentive payment for the Participant.

#### SECTION 8. MINIMUM PERFORMANCE REQUIREMENTS

There are two minimum performance requirements in order to receive a full Annual Incentive in accordance with the Plan:

1. The Minimum Financial Performance Target level set forth on Exhibit C must be achieved for Participants to be eligible for the Annual Incentive.
2. The business units or departments for which the Participants are responsible must receive an acceptable 404 assessment of applicable internal controls. The receipt of a 404 assessment with a significant deficiency or other material internal control issues may result in a reduction or elimination of the potential 2006 Annual Incentive for the responsible Participants and potentially all Participants.

#### SECTION 9. INCENTIVE AWARD CALCULATION

The Incentive Awards will be calculated based on the Incentive Opportunity Zones established for each Participant at the beginning of the Plan Year. The Incentive Opportunity Zones can be depicted as target Incentive Opportunity Curves that correlate the incentive Payout Multiples with each of the Performance Goals.

The target Incentive Opportunity Curves for each of the Performance Goals are set forth on Exhibit D.

At Plan Year-end, the following steps will occur to calculate each Participant's final Incentive Award:

- The actual performance results will be plotted on each applicable Incentive Opportunity Curve for the Participant.
  - If actual performance results fall between the threshold and target, or the target and maximum Performance Goals, the Payout Multiples will be calculated by interpolating the actual performance results with the threshold, target, and maximum Payout Multiples. However, no incentive will be paid if actual results fall below the threshold Performance Goal.
- Each of the resulting Payout Multiples will then be multiplied by the weighted percentage for the applicable Performance Goal.
- The products of each will then be added together to determine the total Payout Multiple for the Participant.
- The total Payout Multiple will then be applied to the Participant's target Incentive Award as a percentage of base salary to determine the total Incentive Award.

An illustration of how this calculation is performed is set forth on Exhibit E.

#### SECTION 10. INCENTIVE AWARD PAYMENTS

Incentive Award payments in accordance with this Plan will be processed by the second pay period following the Board of Directors approval of the Plan Year's financial statements.